HON'BLE SHRI G.S.SINGHVI, THE CHIEF JUSTICE
AND
HON'BLE SRI JUSTICE C.V.NAGARJUNA REDDY

WRIT PETITION No.21298 of 2005

Between:
The Kurnool District Senior Citizens
(Retired Employees) Forum, Kurnool,
rep. by its President Sri A.Chenna Kesava Reddy.

….. Petitioner

AND

Government of Andhra Pradesh
rep. by its Secretary,
Medical & Health Department,
Secretariat, Hyderabad, and others.

… Respondents

Counsel for the petitioner : Shri Patti Srinivasulu

Counsel for respondent Nos.1 to 4 : Government Pleader
for Medical and Health

Counsel for respondent No.5 : Shri B.Adinarayana
Rao

Counsel for respondent Nos.6 to 8 : Shri O.Manoher Reddy

Dated: 27-09-2006

ORDER

Per G.S.Singhvi, CJ

Satya (truth) and Ahinsa (non-violence) are the two basic values of life, which have been cherished for centuries in this land of Mahavir and Mahatma Gandhi. People from different parts of the world come here to learn these fundamental principles of life. However, post-independence era and particularly the last two decades have witnessed sharp decline in these two basic values of life. Materialism has over-shadowed the old ethos and quest for personal gain is so immense that people do not have any regard for the 'truth'.

Truth was the hallmark of the justice delivery system, which operated in the country till the establishment of the court system under British rule. The people used to tell truth and truth only without being influenced by its consequences. In the present day judicial system the truth is perhaps the biggest casualty. Unscrupulous litigants like the petitioners leave no stone unturned to mislead the quasi-judicial and judicial authorities and the courts for material gains. The entire system has become victim of such persons. In order to meet this challenge, the courts have evolved new rules, strategies and techniques. One such rule is that the court will not grant hearing to a person who does not approach it with clean hands. To put it differently, a person who touches the fountain of justice with the tainted hand or who makes an attempt to pollute the course of justice by making false or misleading statements or by suppressing facts must be shown the door at the threshold.

In **Hari Narain v. Badri Das**[1], the Supreme Court upheld the objection raised on behalf of the respondents that the appellant was guilty of misstating the facts and revoked the leave by making the following observations:

"It is of utmost importance that in making material

statements and setting forth grounds in applications for special leave made under Art.136 of the Constitution, care must be taken not to make any statements which are inaccurate, untrue or misleading. In dealing with applications for special leave, the Court naturally takes statements of fact and grounds of fact contained in the petitions at their face value and it would be unfair to betray the confidence of the Court by making statements which are untrue and misleading. Thus, if at the hearing of the appeal the Supreme Court is satisfied that the material statements made by the appellant in his application for special leave are inaccurate and misleading, and the respondent is entitled to contend that the appellant may have obtained special leave from the Supreme Court on the strength of what he characterizes as misrepresentations of facts contained in the petition for special leave, the Supreme Court may come to the conclusion that in such a case special leave granted to the appellant ought to be revoked."

In **Welcome Hotel and others v. State of Andhra Pradesh and others etc.,**[2] the Supreme Court held that a party which has misled the Court in passing an order in its favour is not entitled to be heard on the merits of the case.

In **G. Narayanaswamy Reddy and others v. Governor of Karnataka and another**[3], the Supreme Court declined relief to the appellant who had concealed the fact that the award was not made by the Land Acquisition Officer within the time specified in Section 11-A of the Land Acquisition Act on account of interim stay order passed in a writ petition. While dismissing the special leave petition, the Court observed:

> "Curiously enough, there is no reference in the Special Leave Petitions to any of the stay orders and we came to know about these orders only when the respondents appeared in response to the notice and filed their counter affidavit. In our view, the said interim orders have a direct bearing on the question raised and the non-disclosure of the same certainly amounts to suppression of material facts. On this ground alone, the Special Leave Petitions are liable to be rejected. It is well settled in law that the relief under Art.136 of the Constitution is

discretionary and a petitioner who approaches this Court for such relief must come with frank and full disclosure of facts. If he fails to do so and suppresses material facts, his application is liable to be dismissed. We accordingly dismiss the Special Leave Petitions."

In **S.P.Chengalvaraya Naidu (dead) by L.Rs. v. Jagannath (dead) by L.Rs. and others**[4], the Supreme Court held that where a preliminary decree was obtained by playing fraud on the Court in-as-much as a vital document was withheld in order to gain advantage on the other side, such party deserves to be thrown out at any stage of the litigation.

In **Nand Lal and others v. State of Jammu and Kashmir and another**[5], a learned Judge of Jammu and Kashmir High Court held that if a party does not disclose all the facts correctly and candidly, it is not entitled to be heard on the merits of the case. Some of the observations made by the learned Single Judge are reproduced below:

> "Where the petitioners under Art. 226 have not stated the relevant facts petition or in the affidavit in support of their petition, this is by itself sufficient to entail an outright dismissal of the writ petition without going into its merits. And even if the petitioners have a good case on merits, the Court will be entitled to decline to go into the merits and dismiss their petition, because the conduct of the petitioners has been such as to mislead the Court."

In **Harbhajan Kaur v. State of Punjab and others**[6], a Division Bench of Punjab and Haryana High Court held as under:

> "The writ petitioners have tried to overreach the Court. They did not bring the correct facts to the notice of the Court and obtained an order from us by concealing material facts and without impleading vitally affected party to the writ petition. They have been fighting litigation against the Punjab Wakf Board since 1986 as is passed in Petition No.363 of 1986 (Sham Singh and another v. Punjab Wakf Board). They did not disclose that their applications for transfer of land were

dismissed by the Tehsildar (Sales) and, on appeal the orders were affirmed by the Sales Commissioner and that the appeals against the orders of the Sales Commissioner were pending before the Chief Sales Commissioner, that the Punjab Wakf Board had been contesting their claim and in those proceedings it had been held that the Punjab Wakf Board was the owner of the disputed land and that in judicial proceedings Smt.Kuldip Kaur and her husband had made admission that the Punjab Wakf Board was the owner of the disputed land."

Reference also deserves to be made to some of the English decisions on this subject. In **Rex v. Kensington**[7], Cozens Hardy M.R. made the following observations on the conduct of a party in an ex-parte application in the following words:

> "On an ex-parte application uberrima fides is required, and unless that can be established if there is anything like deception practiced on the Court, the Court ought not to go into the merits of the case, but simply say we will not listen to your application because of what you have done."

Lord Scrutton L.J., said:

> "It has for many years the rule of the Court and one which it is of the greatest importance to maintain, that when any applicant comes to the Court to obtain relief on an ex-parte statement, he should make a full and fair disclosure of all the material facts, facts not law …
> … The applicant must state fully and fairly the facts and the penalty by which the Court enforces that obligation is that if it finds out that the facts have been fully and fairly stated to it, the Court will set aside any action which it has taken on the faith of the imperfect statement."

In **R v. Churchwardens of All Saints Wigan**[8], Lord Haterlay observed:

> "Upon a prerogative writ there may arise many matters of discretion which may induce the Judges to withhold the grant of it – matters connected with delay or possibly with the conduct of the parties."

In **Rex v. Garland**[9], it was held:

> "Where a process is ex debito justitiae, the Court would refuse to exercise its discretion in favour of the applicant where the application is found to be wanting in bona fides."

The pith and substance of the propositions laid down in the above mentioned cases is that a person who seeks relief under Article 226 of the Constitution of India must come with clean hands. He owes a duty to the system of administration of justice not only to place all the facts in a correct perspective and make reasonable efforts to collect facts and information which have bearing on the issue sought to be raised by him, but is also under an obligation not to make any misstatement of facts or suppress/withhold facts which have bearing on the decision of the writ petition. The Court is not only entitled, but is duty to bound to protect itself from unscrupulous litigants who do not have respect for 'truth'. This rule applies with greater rigour in the cases in which the petitioners seek intervention of the court in the name of public interest.

We have prefaced disposal of this petition filed in the name of public interest litigation for issue of a mandamus to respondent Nos.1 to 4 to conduct public auction of the pharmacy shops located in Government General Hospital, Kurnool and recover the alleged loss caused to the public exchequer by making reference to the well-established proposition of law that every person must come to the Court with clean hands because, after perusing the record of the case and hearing the counsel for the parties, we are convinced that the petitioner has not come to the Court with clean hands and even otherwise, there is no valid ground to entertain his prayer.

Shri A. Chenna Kesava Reddy, who claims to be a retired teacher, appears to have formed the District Senior Citizens (Retired Employees) Forum, Kurnool, in the year 2004 and became its self-styled President for the purpose of instituting this petition under Article 226 of the Constitution of India for grant of relief about which a mention has been made hereinabove.

The substratum of the grievance made by the petitioner is that even though the State Government has vide G.O.Ms.No. 604 dated 15-12-1998, taken policy decision to grant lease of pharmacy shops in the government hospitals by public auction and the tenure of such lease is restricted to two years, respondent Nos.1 to 4 have sanctioned lease of pharmacy shops situated in the premises of Government General Hospital, Kurnool without conducting public auction in terms of the policy contained in G.O.Ms.No.604, dated 15-12-1998 and, as a result of that, huge financial loss has been caused to the Hospital Development Society.

In his affidavit, Shri A. Chenna Kesava Reddy has incorporated facts relating to constitution of the forum and the policy contained in G.O.Ms.No.604, dated 15-12-1998. In paragraph 7, he has alleged that respondent Nos.5 to 8 have formed a cartel to ensure that the pharmacy shops are not put to auction so that they can continue business without any hindrance. He has further averred that if the shops were put to auction in accordance with the policy framed by the government, then the administration would have earned much larger revenue.

In the affidavit filed by Dr.H. Hanumantha Rayudu, Superintendent, Government General Hospital, Kurnool on behalf of respondent Nos.1 to 4, it has been averred that three pharmacy shops viz., M/s.Sai Pharmacy, M/s.Nizam's Pharmacy and M/s.Sai Eswar Agency were permitted by the Hospital Development Society to run the medical shops to cater the needs of the patients. In paragraph 4 of his affidavit,

Dr. Rayudu has averred that public auctions were conducted for grant of lease/permission to the private respondents to run the medical shops. In paragraphs 4, 7, 8, 11 and 13 of his affidavit, the deponent has averred as under:

> "4. It is respectfully submitted that public auction was conducted to run the medical shops in the hospital premises

under procedural formalities as per Government Order. The details are submitted as follows:

1) M/s.Sai Pharmacy – Public Auction was held for this Medical Shop on 8-11-1999 by the then District Collector and the then Superintendent. The tender schedules were prepared and notification was issued by the Executive Engineer (R & B), Kurnool. The successful bidder by name C. Ramesh Babu was allowed a lease period of 11 years from the date of occupancy i.e. 01-04-2000 to 31-03-2011. A goodwill amount of Rs.13,10,000/- was collected from the successful bidder and deposited to the Hospital Development Society Funds and a monthly rent of Rs.5,000/- was fixed for a period of 5 years and there shall be a hike of 33.33% from once in 3 years, from the 6th year. The party is regularly paying the rents to this office. Agreement was also entered. The next tender offered for Goodwill was by Sri C. Raghava Reddy at Rs.12,00,100/- and lowest tender was by Jaganmohan Reddy for Rs.2,00,000/- as per records.

   In this connection, it is respectfully that after a board spectrum of thought, the Chairman, Hospital Development Society and other Members have collected a Goodwill amount of Rs.13.10 lakhs and deposited to the Hospital Development Society fund which is not a loss to the hospital exchequer and fetches revenue to the Hospital Development Society which is gainful to the Hospital Revenue. The goodwill amount so collected was fully utilized for the purpose for which it is intended i.e. utilized towards the construction of the medical shop and purchased certain needy equipments as there was no revenue to the Hospital Development Society Exchequer. Hence, the goodwill amount was collected and it was utilized properly. The lease period was permitted for 11 years with a hike of 33.33%, which is not a loss to the Hospital Development Society.

2) Nizam's Pharmacy – It is submitted that the Government of Andhra Pradesh at the first instance had permitted in Lr.No.575/M2/94-1 HM & FW. Deptt. Dt. 22-4-94 to A.P. State Co-operative Consumers Federation Limited, Hyderabad to run the medical shops in the Hospital premises round the clock. Accordingly, the Director of Medical Education (AP), Hyderabd, in

Lr.Rc.No.1254/Bldgs./1/94, dt.3-8-4 had directed the Superintendent to fix up the rent to open the retail shops. The instructions were implemented in this Office Proceedings Rc.No.1594/G1/94, dt.9-8-94. Pursuant thereto a retail medical shop was started during December, 1994 by the Nizam's Pharmacy. They had a tie up with the FEDCON and were paying royalty to FEDCON. The Director of Medical Education (AP), Hyderabad, in Lr.No.13108/Bldgs./1/94,

dt.24-12-94 issued orders to the Superintendent to allow a reasonable lease period of 15 years to run the medical sales counter in the hospital premises. But, they did not enter into agreement. In pursuance of Government Order No.604, M & H dated 15-10-98, a decision was taken in the Hospital Development Society meeting and notification was released inviting the tenders to run the medical shop in the hospital premises. Basing on the above decision, the Management of the Nizam's Pharmacy was asked through this Officer Letter Rc.No.432/G1/99, dt.22-2-99, 4-3-99 and 9-3-99 to vacate the premises immediately. But, the management of Nizam's Pharmacy filed a review petition with the Government challenging the orders of the Superintendent and the Director of Medical Education. The Government in Memo No.489/M1/2002-1, dt.8-1-2002 had stayed the auction proceedings and instructed the Superintendent to submit a detailed report. A detailed report was submitted by the Superintendent and by the then Dist. Collector to the Government. The Government have issued an order in G.O.Respondent.No.603, dt.5-7-2002 permitting the Nizam's Pharmacy to run the medical shop with a lease period up to 2009 with a monthly rent of Rs.12,000/-. The business was started as per the Government Order in G.O.Rt.No.603, Health, Medical and Family Welfare (M1) Department dated 05-07-2005 itself with a monthly rent of Rs.12,000/- with a hike in rent by 20% once in every 3 years. The lease period id to be continued up to 31-12-2009. 3-months rents have been collected towards the deposit. No auction was held, but the Government have issued the orders as stated above. The Government Orders were obeyed by the Management of the Hospital as well as the Hospital Development Society. Accordingly, agreement was also entered.

3) M/s.Sai Eswar Agency (Located in Superspecialities

Block): Tender Notification was issued on 27-01-2004. The public auction was held by the District Revenue Officer, Kurnool. The successful bidder was assigned the establishment to run for a lease period of two years. The business was started from 04-04-2004 with a monthly rent of Rs.84,006/-. Agreement was also entered according to the terms and conditions as prescribed by the Hospital Development Society. Three months rent has been collected towards the deposit.

7. It is submitted that at the first instance M/s.Nizam's Pharmacy, a retail shop was established in Government General Hospital, Kurnool in the year 12/1994 as per the orders of the Director of Medical Education, Andhra Pradesh, Hyderabad, vide Lr.Rc.No.1254/Bldgs/1/94 dated 24-12-1994 and issued orders to allow a reasonable lease period to run the Medical Sales Counter in the Hospital. The party did not enter into agreement with the Superintendent, Government General Hospital, Kurnool, though the party was asked several times. In pursuance of the decision taken in the Hospital Development Society meeting during 12/2001, a paper notification was issued calling for the tenders to run the medical shops. But, the management of the Nizam's Pharmacy challenged in the Court of Law and with the Government. The party was issued notices by this office to vacate the premises and the fact was intimated to the Director of Medical Education, Andhra Pradesh, Hyderabad.

8. It is submitted that the Government in its Memo No.489/M1/2002/1, dated 08-01-2002 have stayed the auction proceedings and called for the report. A detailed report was submitted by the District Collector and by this hospital. But, the Government in its G.O.Rt.No.603, Health, Medical and Family Welfare Department, dated 05-07-2002 have issued orders allowing M/s.Nizam's Pharmacy, Government General Hospital, Kurnool, to continue up to 2009 with a monthly rent of Rs.12,000/- and with a hike of 20% over the rent for every 3 years. Accordingly, agreement was entered.

11. In reply to para 7, it is respectfully submitted that the allegations made under this para is totally scant and dubious. In pursuance of the resolutions passed in the Hospital Development Society Meetings, paper notifications were issued

calling for the tender from the eligible candidates. It is not true that the Hospital authorities have prevented the entry of outsiders to participate in the public auction and colluded with the other groups. It is a baseless and meaningless allegations made by the petitioner. The petitioner may be put to the strict proof of the allegations levelled against the administration. He has a mud-slinging attitude towards the authorities.

13. In reply to para 8, it is respectfully submitted that the allegations made by the petitioner is false. The agreements were made as detailed below:

1) Sai Pharmacy – The lease is from 01-04-2000 to 31-3-2001. Proprietor is Sri C. Ramesh Babu S/o.Ramappa. Auction held on 18-11-1999.
2) Nizam's Pharmacy – The lease period is from 16-09-2002 to 31-12-2009. The agreement executed on 16-09-2002 in pursuance of G.O.Rt.No.603, Health, Medical and Family Welfare Department, dated 05-07-2002. Proprietor is Sri M. Siva Ganesh S/o.Krishna Murthy, Hyderabad.
3) Sai Eswar Agencies – The lease is from 04-04-2004 to 03-04-2006. The agreement was entered on 06-04-2004. Proprietor is Sri S. Sudhakar Reddy S/o. Nagi Reddy, Kadumur Village, Kurnool District."

In the separate counter-affidavits filed by private respondents, the allegations made by the petitioner have been denied. Respondent No.5 has come up with the assertion that the pharmacy shop situated within the premises of Government General Hospital, Kurnool was first allowed to be run by Andhra Pradesh State Cooperative Consumers Federation Limited (for short 'the FEDCON'), a Governmental agency. In support of this assertion, respondent No.5 has placed on record copy of proceedings dated 13-8-1994 issued by the State Government for allowing FEDCON to run medical counter through respondent No.5. Subsequently, FEDCON entered into an agreement with it for running the medical counter. In furtherance of that agreement, a pucca building was constructed and Director of Medical Education, Hyderabad issued proceedings dated

24-12-1994 fixing the lease period of 15 years for running medical counters. In the affidavit filed on behalf of respondent No.5 by its partner Shri M. Siva Ganesh, it has been averred that the permission granted by the State Government to FEDCON to run the medical counter through respondent No.5 was challenged by one S. Krishna Kumar in Writ Petition No.21721 of 1994, which was dismissed. According to respondent No.5, policy contained in G.O.Ms.No.604, dated 15-12-1998 is not applicable to its case because permission had been granted to it to run the medical counter much earlier.

In paragraphs 3, 4 and 5 of the affidavit filed by Shri M. Ramakrishna Rao, Managing Partner of respondent No.6, the following averments have been made:

> "3. Before adverting to the various allegations made in the affidavit filed in support of the writ petition, it is respectfully submitted that the Executive Engineer, Road and Buildings Department, Kurnool has issued a notification which was published in Eenadu daily dated
> 9-11-1999 and also popular English daily inviting applications for running a Medical Shop in Kurnool Government General Hospital. Pursuant to the notification so issued, the 6th respondent firm has participated in the auction.
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> 4. I submit that the procedure followed was both open cum sealed tenders. Initially all the bidders were asked to participate in the open bidding. More than 40 bidders have participated in the auction. After the highest bid was quoted, the sealed tenders were opened and thereafter the highest bid was knocked down. I submit that the procedure followed by the 3rd and 4th respondents is fair. I submit that the writ petitioner is not even aware that a public auction has been conducted and certain conditions have been mentioned in the tender notification. It is submitted that the lease awarded to us is within the terms of the tender notification.
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> 5. I submit that in the auction so conducted, I became the highest bidder for Rs.13,10,000/- (Rupees thirteen lakhs and ten thousand only) this amount is paid as Goodwill amount and as per the conditions of auction notification the amount paid is

non-refundable. Apart from the above Goodwill amount, the highest bidder has to pay Rs.5,000/- per month towards rent for the first five years, thereafter at an enhanced rent of 33 1/3 % every three years. I submit that the total lease period prescribed is 11 years. I submit that the bid was knocked down in my favour and the department has entered into a lease agreement with me on 1-4-2000 and the lease period would expire on 31-3-2011. I submit that in pursuance of the said agreement, I am in possession of the premises and regularly paying the lease amount to the department and have also paid Goodwill amount of Rs.13,10,000/- for the premises and in fact a portion of the amount has been utilized for the construction of the shop and the balance amount has been utilized for the development of the hospital. I submit that the auction notification has been issued in the year 1999 and the auction was conducted and bid was confirmed. Now after a period of five years, the recent writ petition has been filed under the guise of a public interest litigation making all false allegations. I submit that before invoking the jurisdiction of this Hon'ble Court a Public Interest Litigation, the petitioner has not caused any enquiry nor has represented before the authorities nor has taken care to find out the true facts from the department. Hence, it is submitted that the writ petition has to be dismissed on this ground alone."

Similar affidavit has been filed by Shri S. Sudhakar Reddy, partner of respondent No.7. For the sake of convenient reference, paragraphs 4 and 5 of his affidavit are reproduced below:

"4. I submit that the 3rd respondent has issued a tender notification on 27-1-2004 inviting tenders for taking the leasehold rights of the medical shops at Kurnool. I submit that in the said auction this respondent firm and others have participated and in the auction so conducted on 11-2-2004, I became the highest bidder and the shop was knocked down in my favour on Rs.84,006/- per month. I submit that the agreement was entered with the department on 4-4-2004 for a period of two years and the same is in force up to 4-4-2006. I submit that even according to the deponent of the affidavit that the said procedure is fair but curiously impleaded this respondent in the writ petition making wild allegations of collusion. I submit that the petitioner has unnecessarily impleaded me as party to the proceedings. I submit that the allegations with regard to the alleged collusion made against

me and the official respondents are all false.

5. I submit that the petitioner has unnecessarily impleaded me as party to the proceedings. Hence, it is prayed that this Hon'ble Court may be pleased to dismiss the writ petition with exemplary costs and pass such other or further orders as the Hon'ble Court feels deem fit and proper in the facts and circumstances of the case."

The petitioner has filed rejoinder affidavit and reiterated his assertion that respondent Nos.5, 6 and 7 have been allowed to run medical shops in violation of G.O.Ms.No.604, dated 15-12-1998. He has also referred to G.O.Ms.No.516, dated 14-10-2005 and averred that the new policy has been framed with a view to favour private individuals.

Shri O.Manoher Reddy, learned counsel for respondent Nos.6 and 7 argued that the petitioner should be non-suited on the solitary ground that it has not approached the court with clean hands. He submitted that the petitioner has conveniently omitted to make a mention of the facts leading to the grant of lease/permission to respondent Nos.5 and 6 to run the medical counter/shop and emphasized that if the petitioner had candidly disclosed all the facts, the Court may have declined to entertain writ petition.

Shri B.Adinarayana Rao, learned counsel for respondent No.5 submitted that his client had been running the pharmacy shop for more than four years prior to the promulgation of the policy decision vide G.O.Ms.No.604, dated 15-12-1998 and argued that the said policy cannot be made applicable to respondent No.5.

Learned counsel for the petitioner argued that the petitioner should not be non-suited on the ground of not approaching the Court with clean hands because the sole object of filing the writ petition is to highlight the fact that the lease/permission granted to the private respondents has resulted in huge financial loss to the public exchequer.

We have thoughtfully considered the entire matter and carefully scanned the record. It is true that the petitioner is ostensibly seeking to espouse the public cause by claiming that the decision of official respondents to grant lease in favour of respondent Nos.5 and 6 for 15 years and 11 years respectively is injurious to public interest inasmuch as, by granting lease for short duration of two years, the public authorities could earn more revenue, but we have not felt impressed. Rather, we are convinced that the petitioner is guilty of withholding important facts, which have direct bearing on the adjudication of its prayer. Shri A. Chenna Kesava Reddy, who has filed affidavit in support of the writ petition, has conveniently omitted to make a mention of the facts relating to grant of permission by the State Government to FEDCON to run medical counters in the hospital through respondent No.5. The deponent has also omitted to mention that the permission in question was granted more than four years prior to the promulgation of 1998 policy. Not only this, the deponent has conveniently suppressed facts relating to public auction held by the concerned authority for grant of lease to respondent Nos.6 and 7. The petitioner has not explained as to why the facts relating to grant of permission to respondent No.5 and lease to respondent Nos.6 and 7 have not been incorporated in the affidavit filed by Shri A. Chenna Kesava Reddy, who, as mentioned above, has filed the writ petition in the name of public interest litigation. This, in our opinion, is sufficient to non-suit the petitioner on the premise that it has not come to the Court with clean hands.

We are further of the view that the permission granted by the State Government to FEDCON to run the medical counter through respondent No.5 cannot be invalidated by invoking the policy contained in G.O.Ms.No.604, dated 15-12-1998 and lease granted to respondent Nos.6 and 7 cannot be annulled because the same were preceded by proper auction. The mere fact that the tenure of the lease granted to respondent No.6 is contrary to the policy enumerated in

G.O.Ms.No.604, dated 15-12-1998 is not sufficient to invalidate the lease because it has not been shown as to how the same is detrimental to the larger public interest. Indeed, the petitioner, which came into existence in 2004, did not have the occasion to participate in the auction conducted by the authorities of R & B Department. It is not even the argument of Shri Patti Srinivasulu that if auction had been conducted for grant of lease for two years only, then his client would have given higher bid.

No other point has been argued.

For the reasons mentioned above, the writ petition is dismissed. We could have saddled the petitioner with costs, but refrain from doing so because of the age of its representative.

G.S.SINGHVI, CJ

C.V.NAGARJUNA REDDY, J

27-09-2006

svs

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[1] AIR 1963 SC 1558

[2] AIR 1983 SC 1015

[3] AIR 1991 SC 1726

[4] JT 1993 (6) SC 331

[5] AIR 1960 J & K 19

[6] 1994 P.L.J. 287

[7] 1917 (1) KB 486

[8] (1876) 1 A.C. 611,

[9] (1870) 39 L.R. Q.B. 269